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January 15, 2004

Ms. Donella Russell
Contracting Officer
USAID Kiev
19 Nizhnyi Val sr.
Kiev 254701 Ukraine

RE: Contract No. EEU-I-00-99-00015-00, TO No. 806
UI Project 06901-007, Moldova Local Government Reform Project
Quarterly Task Order Progress and Cost Report, October to December 2003

Dear Ms. Russell:

Please find enclosed the *Quarterly Task Order Progress and Cost Report, October to December 2003, Moldova Local Government Reform Project*. This report is required by Sections F.5 and F.6 of our Local Government Assistance Initiative Indefinite Quantity Contract.

Please direct any technical questions to Mr. Duane C. Beard, UI/Moldova, beard@lgrp.md, (3732) 234-722. Questions of a contractual nature should be addressed to me at 202-261-5818.

Sincerely,

Marcus L. Stevenson

Enclosures

cc: Victor Rachkevych (USAID/Moldova)
Mr. Mike Keshishian (USAID/W)
Mr. Duane C. Beard (UI/Moldova)
USAID Development Clearinghouse
IAC Deliverables File (06901-007)
IAC Chron File

**QUARTERLY TASK ORDER
PROGRESS AND
COST REPORT**

**MOLDOVA LOCAL GOVERNMENT
REFORM PROJECT**

OCTOBER TO DECEMBER 2003



Prepared for

Moldova Local Government Reform Project
United States Agency for International Development
Contract No. EEU-I-00-99-00015-00, Task Order No. 806

Prepared by

Duane C. Beard
Chief of Party
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January 2004
UI Project 06901-007

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Attachment

Cost Report

QUARTERLY TASK ORDER PROGRESS AND COST REPORT

OCTOBER TO DECEMBER 2003

MOLDOVA LOCAL GOVERNMENT REFORM PROJECT

Contract and Task Order No.:	EEU-I-00-99-00015-00, Task Order No. 806
Date of Issuance:	February 1, 2000
Amount Obligated Under Task Order	\$4,999,793
Total Potential Task Order Amount:	\$4,999,793
Dollars Expended To-date:	\$4,068,717
Key Personnel:	Duane C. Beard, UI Moldova, CoP Tel: +3732-233-000 dbeard@lgrp.md

Task Order Description

In February 2000, the United States Agency for International Development (USAID) contracted the Urban Institute (UI) to implement a five-year Local Government Reform Project (LGRP) in Moldova. The project aims to support the government's reform agenda with training and technical assistance (T/TA). Specifically, the project is working to increase the amount and control of revenues for local governments, improve municipal services management, develop institutional support for local government and municipal services and improve transparency, citizen participation and strategic planning in local governments.

I. Highlights

- The new U.S. Ambassador to Moldova, Hon. Heather Hodges, as well as USAID Moldova Program Director John Starnes and Country Program Officer Mark Levinson attended the LGRP annual holiday mayor's reception at the Codru Hotel. The reception was held in conjunction with the LGRP quarterly mayor's meeting. In her brief remarks, Ambassador Hodges expressed her strong support for improved local government in Moldova and she also announced the upcoming study tour to the United States for a group of mayors from LGRP partner communities. Ambassador Hodges and USAID officials Mrs. Starnes and Levinson had an opportunity to speak informally with a broad cross-section of LGRP partner mayors.

- During this quarter LGRP provided field support for a series of USAID visits to LGRP and its local government partners. These included: 1) an assessment team from the Regional Mission for Ukraine, Belarus and Moldova. The team consisted of LGRP Cognizant Technical Officer Victor Rachkevych and Municipal Development Advisor William Schlansker. The assessment team is evaluating the potential of a possible three year extension of the USAID local government reform initiative in Moldova; 2) an official delegation from the USAID Regional Mission for Ukraine, Moldova and Belarus. The principle purpose of the delegation was to provide an introduction/orientation to LGRP for the newly arrived Deputy Chief of the regional USAID mission - Ms. Karen Hilliard and; 3) a project review visit by USAID Regional Mission Director Mr. Christopher Crowley, USAID Moldova Country Representative Mr. John Starnes and USAID Moldova Program Officer Mr. Mark Levinson. The USAID delegation reviewed operations with the Chief of Party and Team Leaders. The USAID delegation also visited the LGRP partner community of Ialoveni to review the very successful multi-family housing domestic heating demonstration project organized with the co-sponsorship of the city of Ialoveni and a neighborhood Dweller's Association.
- Efforts have continued this quarter to increase the transparency of government by initiating positive policy changes from the grass roots municipal level, as the LGRP Democracy & Governance team, in collaboration with Dr. Maria Orlov, LL.D., CCN legal expert, prepared a draft model local council "open meetings regulation" that is now being circulated to several very reform oriented LGRP partner mayors for their review and comment. When finalized, the model open meetings regulation will be circulated to all LGRP local government partners.
- Two successful quarterly meetings of the LGRP Financial Applications Users Group Meeting, for all partner communities from Rounds I thru V, were conducted by the Fiscal Decentralization team in October and December. The quarterly meeting from December had the greatest attendance of any quarterly meeting to date (more than 50 total participants) and was held at the Academy of Public Administration. The assembled municipal finance officers spent significant time developing a set of recommendations for proposed policy and/or procedural changes to be submitted to the Ministry of Finance.
- The *Municipal Services Source Book*, a three-volume compendium of laws governing the provision of municipal services in Moldova, was released by LGRP. So far 118 three-volume sets of books have been distributed among local government partners, water utilities and other institutions operation in municipal services issues.
- The LGRP Democracy & Governance team successfully conducted two Quarterly Mayors Meetings during this quarter, one on 1/2 October, another on 18/19 December at the Academy of Public Administration. The events gathered 33 and 36 mayors in total and provided a series of informational and skill building sessions in areas such as: local public finance, European integration, experience of municipal-type associations abroad and improving communication and Internet-use skills. Reports were made by delegations of mayors who participated in international study tours to learn more about municipal-type

associations and local economic development. The resulting discussions about the experience of Mayors' Associations in the two neighboring countries of Ukraine and Romania were very dynamic, while the experience and success of Lisakovsk, Kazakhstan in community economic development was also of great interest.

- The LGRP Municipal Services Team conducted a micro-study tour to Romania with representatives of the Department Water & Wastewater Engineering from the Moldova Technical University and municipal water utilities (City of Orhei) to explore several types of potential cross-border collaboration in the field of municipal water & wastewater training and technical assistance. The delegation met with the President and Training Director of the Romania Municipal Water Utility Association (ARA) and visited a special "leak detection training polygon" and training center in Cluj-Napoca as well as visiting water and/or wastewater treatment facilities in Cluj-Napoca, Tirgu-Mures and Bistrita.
- During this quarter, public hearings on community strategic plans (either new or updated) were convened in twenty-eight (28) LGRP local partner communities, nine in October, nine in November and ten December. Also during this reporting period nineteen (19) public hearings on proposed municipal budgets for 2004 were conducted in LGRP partner communities, of which four were in November and fifteen in December.
- The LGRP Democracy and Governance team conducted an orientation session for the key personnel from the Moldova national water utility association (Moldova Apa-Canal Association) as a response to their request to provide organizational strategic planning assistance to this specialized, municipal-type civil society organization (CSO). The orientation session is the first step in the strategic planning process. Its purpose is to clarify roles and expectations of both parties involved as well as to draw an initial plan for the next steps in the process. The meeting was very well received by the Moldova Apa-Canal Association. The strategic planning workshop is scheduled for March 2004.
- LGRP cooperation with the US Peace Corps and its Local Economic Development Program reached a new level, with LGRP conducting two briefing sessions for Peace Corps Economic Development trainees. Twenty (20) Peace Corps trainees were introduced to LGRP activities generally and specifically the community strategic planning cycle. More recently, five of the new Peace Corps economic development Volunteers were assigned to LGRP Local Government Partner mayoralities with a specific brief to assist in implementation of community strategic plans and grass roots economic development. LGRP provided a special training session for Mayors and Volunteers assigned by Peace Corps to the mayoralities in these partner communities. The purpose of this training session was to discuss effective collaborative approaches and techniques to help initiate more active implementation of the community strategic plans.

II. Progress of Major Activities

Policy & Legislation

- The *Municipal Services Source Book*, a three volume compendium of laws governing the provision of municipal services in Moldova, was recently released by LGRP, with the initial distribution being to the mayors present at the 2nd Quarterly LGRP Local Government Partner's Mayors' Meeting on October 1st and 2nd, 2003. Based on early enthusiasm among local officials, the *Municipal Services Source Book* may serve as a model for similar compendiums in other functional areas. Possibilities include: Planning & Land Use Regulation, Housing & Condominiums, Local Public Administration (generally). Distribution of the source book will continue in the future. Also, it will be made available on a CD.
- LGRP Democracy & Governance team members (the Senior Program Specialist and the Development Advisor) had several meetings with Dr. Maria Orlov, LL.D., CCN legal expert about the elements necessary for a viable local government open meetings regulation and within the existing Moldovan legal context. Based on the subsequent research and a legal opinion by Dr. Orlov, a draft open meetings regulation has been prepared and is in the process of being reviewed by several very reform oriented LGRP partner mayors. After feedback from these mayors is received the regulation will be further refined. Current plans are then send the draft to one or more local council for debate, consideration and hopefully adoption. This effort is seen as a viable alternative to parliamentary action, for initiation of "good governance" reform at the grass-roots level, thus improving transparency and opportunities for citizen participation.

Capacity Building: Training and Technical Assistance

- During the reporting period the Fiscal Decentralization team organized and successfully conducted the 6th and 7th LGRP Financial Applications Users Group Meeting. These quarterly meetings were attended by a larger group of local government finance officers primarily due to inviting Round V partners to join the group. Local government finance officers from approximately 40 partner communities attended each event. Several professional sessions were taught by invited experts from the Ministry of Finance, the Department of Audit and several trainers from the Internet Access and Training Program funded by the US Bureau of Educational and Cultural Affairs and administered by IREX (International Research and Exchanges Board). During the 7th Meeting the last cohort (Round V) of local government partners was officially graduated from the initial one-year intensive phase of training and technical assistance to the Users Group.
- Fiscal Decentralization team made additional progress this reporting period in organizing pilot testing of integrated municipal financial software on the "1C Accounting" platform. The team organized a round table with major software companies marketing "1C Accounting" in Moldova where issues of the software modification and implementation were addressed. Fiscal Decentralization team compiled a first draft Request for Proposals for adapting/ tailoring the "1C Accounting" software platform. The draft Request for Proposals (RFP) includes such issues as technical requirements for the software that the team previously prepared, as well as conditions for the proposals' delivery and evaluation. The RFP was translated into English and is currently undergoing review. At the same time, the Fiscal



Decentralization team has been developing number of draft clauses proposed to be included into the final agreement with the software services vendor.

- The Fiscal Decentralization team, together with CCN Legal Advisor Dr. V. Mocanu, updated the model Revenue Sharing Agreement that sets forth a sharing mechanism for certain taxes and fees between the first two tiers of government. The newly updated version of the model agreement complies with recent legislative amendments, thus entirely corresponds to current law. The team disseminated of the revised model Agreement to interested LGRP Partners.
- Following the approval of the Fiscal Decentralization team's initiative to provide additional assistance as to organize budget public hearings in partner communities by the Association of Mayors and Local Communities from Moldova (AMLCM), the team identified communities willing to conduct the budget public hearings, and provided technical assistance to such localities as Balti, Glodeni, Biruinta, Chadyr-Lunga, Leova and Vulcanesti. Fiscal Decentralization program specialists assisted these localities to prepare for the hearings. These field visits are key elements in maintaining the commitment of localities to persevere in conducting budget public hearings. So far, with the Fiscal Decentralization team's input a number of budget public hearings organized and successfully conducted in such communities as Balti, Leova, Vulcanesti and Chadyr-Lunga.
- Consistent with LGRP work program provisions to conduct training in microcomputers for as many as 10 communities that already have or are willing to purchase microcomputers with their own funds, the Fiscal Decentralization team together with the Chief of Party identified 10 potential communities to participate in the training. In view of the succeeding US and Moldovan holiday seasons, the tentative schedule will be late January 2004. The training is expected to be held at the Academy for Public Administration as part of the ongoing institutional strengthening approach of LGRP.
- Over the period of this quarterly report, public hearings on community strategic plans were convened in twenty-eight LGRP local partner communities. This brings the total to 37 hearings on community strategic plans that have been conducted during 2003, of which 3 were in January and April and 34 in September – December 2003. All 19 public hearings on proposed municipal 2004 budgets conducted this year were convened during the period November-December 2003. The Association of Mayors and Local Communities from Moldova (AMLCM), in collaboration with LGRP staff members, provided assistance to jurisdictions in the preparation of the supportive materials for these events. As anticipated, public hearings on draft strategic plans encountered the most active participation. In Singerei, 200 persons attended the hearing, with 8 persons registered to take the floor to make comments or submit proposals. In Cantemir, the participation was quite active from the point of view of participants willing to testify. As regards public hearings on local government proposed draft budget for 2004, the public hearing in Balti attracted the greatest number of participants – 208 persons, out of whom 15 persons spoke. Following the public budget hearing in Balti, the Chief of Party was interviewed by Moldova national



television. In late December, the interview was broadcast in its entirety on Moldova National TV as part of a special program entitled "Status Quo" that discussed public policy issues in Moldova. In addition, information and excerpts from the LGRP-supported public budget hearing in Balti were transmitted nationwide as well.

- Democracy and Governance Program Specialists conducted a half-day orientation session for the key personnel from the national water utility association (Moldova Apa-Canal Association) as a response to their request for strategic planning assistance to be provided to this specialized civil society organization (CSO). The Democracy and Governance team leader and the Training and Development Consultant for LGRP also contributed to this effort. The orientation session is the first step in the strategic planning process conducted with LGRP assistance. The purpose of the orientation session was to clarify roles and expectations of both parties involved as well as to draw an initial plan for the next steps in the process. The participants from Moldova Apa-Canal Association received the meeting very well. Based on discussions at the session, Moldova Apa-Canal Association leadership changed their original plans to have the strategic planning workshop in January. Apa Canal leadership said as a result of this meeting they now realized how important the preparation stage is to the final result. Another important outcome of this meeting was the change in their perception about the role of facilitators. Initially Moldova Apa-Canal Association saw LGRP facilitators as experts in Water Utility Associations. However, they now understand that it is themselves who will be the technical experts in water utility issues, whereas the facilitators will contribute expertise in strategic planning and will facilitate the process. Thus, the Strategic Planning Workshop is now planned for March 2004.
- Quarterly Mayor's meetings of mayors of LGRP partner communities were held during the months of October and December at the Academy of Public Administration. The events gathered 33 and 36 mayors in total. Highlights of these meetings include a series of informational and skill building sessions in areas such as: local public finance, European integration, experience of municipal type Associations abroad and improving communication and internet-use skills. Reports were made by delegations of mayors who participated in international study tours to learn more about municipal-type associations and local economic development. The resulting discussions about the experience of Mayors' Associations in the two neighboring countries of Ukraine and Romania were very dynamic, while the experience of Kazakhstan in local economic development was also of great interest. In the evening of the first day of the quarterly mayor's meeting in December, LGRP hosted an annual holiday reception that was attended by Her Excellency, the Ambassador of the United States, Heather Hodges, as well as by the USAID Chisinau Country Director John Stames and Deputy Country Program Officer Mark Levinson. In her brief remarks, Ambassador Hodges expressed her strong support for improved local government in Moldova and she also announced the upcoming study tour to the United States for a group of mayors from LGRP partner communities. Both Ambassador Hodges and the Senior USAID officials in Moldova had an opportunity to interact informally with mayors of LGRP partner communities.



- A group of 11 Moldovan mayors representing different Municipal Association participated in a “Municipal Association Study Tour” to Ukraine. The purpose of the study tour was to learn from the experience of the Association of Ukrainian Cities (AUC). The AUC was formed out of the former Association of Oblast Cities of Ukraine in 1995 with the technical assistance from USAID. The purpose of the AUC is to improve the capacity of local governments to advocate for their interests at the national level and to disseminate information on innovative practices in municipal management among cities throughout Ukraine. Since it's founding, the AUC has grown significantly in membership and has broadened its range of activities. Currently, the AUC has 433 cities as members. This represents more than 90% of the total number of cities in Ukraine. Additionally, there are 25 Regional Offices of the AUC. The Moldova delegation visited AUC Regional Offices in Ivano-Frankivsk, Chernivtsi and Kamianets-Podilskyi. Moldova mayors met with their Ukrainian counterparts from these cities. Field visits to various municipal enterprises gave a complete image about the operation of municipal services and the role of AUC in helping strengthen local communities. According to the participants, this trip proved to be a very useful event with strong potential for long-term impact since mayors learned from the advanced experience of a near-by neighboring country.

Targeted Assistance in Strategic Areas

- The Fiscal Decentralization team provided additional intensive, on-site training and technical assistance to Round V local government partners. In this connection, Fiscal Decentralization program specialists visited such communities as Donduseni, Taraclia, Sorocea, Briceni, Vulcanesti, Chadyr-Lunga, Ocnita, Biruinta, Causeni, Basarabasca, Cornesti, Glodeni and provided on-site training in microcomputers and financial operations covering such aspects as issue of treasury payment orders and operation of a database of vendors/suppliers as well as budget planning and implementation. Fiscal Decentralization specialist had also assisted Donduseni and Sorocea in the purchase of several microcomputers advising these partners on major computer suppliers located in Chisinau and the most appropriate hardware configuration in terms of both technical requirements and relevant costs.
- The Municipal Services completed translation/editing of the 2nd edition of the *Manual for Efficient Water Supply Operations (MEWSO)* in Russian. Also, the simplified version for smaller water systems *MEWSO – Small Systems (SS)* is now available in English and Russian languages. The Romanian version of the 2nd edition of *MEWSO* and *MEWSO-SS* will be available next month. Momentum is growing for access to these LGRP publications. The Municipal Services team has begun consideration of a successor organization that can become the “inheritor” and custodian of this and other useful intellectual property related to Municipal Services at the close of the project.
- The LGRP Municipal Services team, in October, conducted the 6th training seminar based on *MEWSO*, which was attended by senior management staff from 5 water utilities (Biruinta, Telenesti, Soldanesti, Glodeni, Rezina). This brought the total of communities that have received *MEWSO* training to twenty-three. It is anticipated that many of these



communities will progress to action planning for the improvement of their water utility operations.

- The Municipal Services team continues to support “operations audits” of water utilities and provided technical assistance to six water utilities in preparing their draft action plans that will eventually be approved by the local councils. These included the towns of: Nisporeni, Biruinta, Leova, Orhei, Drochia and Floresti. The review draft for Nisporeni water utility was prepared and submitted for review to the mayor after which it will be presented to the local council for approval.
- The Operations Audit Report for Nisporeni water utility was completed in two languages, Romanian and English. The collaboration with the Swiss Agency for Development and Cooperation in this initiative was mutually fruitful. The two reports will be used in the process of attracting new funds for Nisporeni water system. A meeting with the Minister of Environment, Construction and Territorial Development to officially present the report has already taken place. In January a meeting with Nisporeni officials to hand over the reports, and establish future strategic actions is planned.
- Two briefing sessions for Peace Corps Economic Development trainees were conducted during which twenty (20) Peace Corps trainees were introduced to LGRP activities generally and specifically the community strategic planning cycle. As a follow-up, in December 2003 Mayors from the LGRP Partner Communities of Antonesti, Basarabeasca, Chadyr-Lunga, Geamana, Ialoveni, Orhei, Zberoaia and the Community Economic Development Volunteers assigned to the mayoralities in these communities attended a special training session at the LGRP Training Center. The purpose of this half-day training session was to discuss effective approaches to the active implementation of the community strategic plans. The ultimate goal of this and subsequent training sessions is to assist each community in taking the community strategic plans from a strategic level to an operational/implementation level.
- A micro-study tour to Romanian Water Utilities was conducted in December. The primary purpose of the study tour to Romania was to visit and gather information about the in-service training facility that exists in Cluj, Romania, related to leak detection and pipe location in municipal water systems. This information will be useful in the process of designing a leak detection/pipe location training polygon in Orhei that would be proposed for the training of water utilities specialists from LGRP partner communities and for the World Bank recipients of water system infrastructure rehabilitation grants and loans. Additionally, the delegation visited the Romanian Water Association Vocational Training Center that the Association has established in Cluj, and the Water Museum, an important educational facility.

The second part of the trip consisted of visits to water utilities in the same area for experience exchange and also for identifying locations and practices that might be included in a future more general study tour for Moldovan water utility managers. Future



visits might be part of a comprehensive effort at exposing Moldovan utility officials to new international best practices, such as: the rehabilitation of the wastewater treatment and water treatment plants in Cluj and Bistrita. In Targu Mures the delegation was exposed to a new modern management structure that was successfully implemented.

The delegation was comprised of D. Beard and C. Murariu representing LGRP, P. Panus, General Manager of the Orhei water utility and Dr. S. Calos, Chair of the Water & Wastewater Department at the Technical University of Moldova, the latter two persons are also members of the Executive Committee of the Moldovan Water and Wastewater Association (Moldova Apa Canal Association) The experience was extremely useful and it draws a general picture of the efforts that the European Union is making in order to increase the quality of water services and water source protection. It is believed that because of Moldova's geographic position, these EU efforts will ultimately be extended to this country.

- The Municipal Services team began preparing the Water Utility Financial Management Training that will be delivered by LGRP within the context of collaboration with the Moldova World Bank Water Supply and Sanitation Pilot Project. The Municipal Services team will support the MEWSO trainer/facilitator, Dr. Eugenia Busmachiuc who will conduct a three-day seminar scheduled for 14-16 January 2004. LGRP will also provide the training venue and support all training costs.

General Activities

- During 6-10 October 2003 LGRP Cognizant Technical Officer Mr. V. Rachkevych and Municipal Services Advisor Mr. W. Schlansker made a field visit to the Local Government Reform Project to assess on-site, the progress achieved to date. Fiscal Decentralization team coordinated visits to the 6th LGRP Financial Applications Users Group Meeting, as well as such LGRP partner communities as Biruinta and Floresti to observe the accomplishments of LGRP in the field. In addition, the team organized a "round table" with LGRP Partner Mayors from Central region of Moldova where issues of common interest were addressed. In total, there were 13 mayors at the round table that discussed most crucial and challenging issues they are now facing.
- The Local Government Reform project supported a project review visit by USAID Regional Mission Director Mr. Christopher Crowley, USAID Moldova Country Representative Mr. John Starnes and USAID Moldova Program Officer Mr. Mark Levinson. The USAID delegation reviewed operations with the Chief of Party and Team Leaders. The USAID delegation also visited the LGRP partner community of Ialoveni to review the autonomous domestic heating demonstration project organized with the city of Ialoveni and a Dweller's Association. The USAID team also met with the Ialoveni mayor and other senior municipal officials to review the city's very significant success based on integrated technical assistance rec'd via Ialoveni's cooperation with LGRP.

- LGRP hosted an official visit of the USAID Deputy Mission Director Ms. Karen Hilliard to the Local Government Reform Project. A briefing book and PowerPoint slide presentation were prepared and delivered that outlined the current operations/achievements of LGRP.
- During 17-20 November Municipal Services Engineer, C. Murariu participated in a training program in water distribution design and modeling in Birmingham, UK, organized by Haestad Methods, USA. The training consisted in applications in the following areas: flow and pressure problems, modeling regulating valves, scheduling pumps, calibrating models, estimating costs, automating fire flows, as well as other simulation strategies such as analyzing water quality. The software WaterCAD was used as the modeling vehicle during this hands-on workshop. The knowledge and the software acquired in this effort will help the municipal services team in the process of finding solutions, modeling the existing networks in the process of audits, identify problems and existent design errors. The software will also be useful in estimating the costs of implementation and energy consumption analysis of new designs.
- The LGRP teams have continuously assisted their liaison communities, upon their request, in implementing their strategic plans. Singera town with their radio project is one example.

II. Deliverables and Reports

Preliminary list of work products produced in the period October-December 2003

Fiscal Decentralization

1. Agenda, training materials and participants list for 6th Quarterly LGRP Financial Applications Users Group Meeting
2. System requirements as regards implementation of the integrated municipal financial software system in Russian and English.
3. Preliminary directory of major computer hardware vendors located in Chisinau.
4. Fiscal Decentralization training and technical assistance illustrative cycle with photos and relevant comments.
5. Review draft of request for proposals (RFP) for implementation of the integrated municipal financial software system.
6. Letter of request to the Internet Access and Training Program administered by the US Bureau of Educational and Cultural Affairs as to delegate professional trainers to the 6th Quarterly LGRP Financial Applications Users Group Meeting.
7. Presentation on Decentralization of Local Governments with accompanying tables and charts for the Moscow Conference for Mayor Formuzal.
8. Briefing speech of Mayor Formuzal for Moscow conference Decentralization of Local Governments.
9. Agenda and Final Report of the 7th quarterly LGRP Financial Applications Users Group Meeting in English, Romanian and Russian.
10. Certificates of Graduation in Russian and Romanian for Round V partners to the LGRP Quarterly Financial Applications Users Group.

11. Budget-in-brief, draft speech and accompanying charts for the budget public hearings in the cities of Chadyr-Lunga, Balti & Vulcanesti.
12. Updated model revenues sharing agreement between tier 1 and 2 local governments.
13. PowerPoint slide presentation accompanying the speech of the Mayor of Balti at the budget public hearing.
14. Proposed list of 10 communities identified by the Fiscal Decentralization team to participate at the training program on microcomputers.

Municipal Services

1. MEWSO - 2nd edition - final draft (English, Russian)
2. MS Legislative Source Book (Romanian, English)
3. MEWSO workshop consolidated report
4. Nisporeni Water Utility MEWSO Operations Audit Report (English, Romanian)
5. Heating Alternatives Manual – First draft
6. Report for Water Utility Study Tour to Romania (Training Center, Leak Detection Polygon, various water utilities that implemented grants from EU sources, etc.)
7. Preliminary Water Utility Action Plans – Towns of Nisporeni & Biruinta

Democracy & Governance

1. Agendas and invitation letters for the 2nd and the 3rd Quarterly Mayors Meetings
2. Power Point Presentation for the Orientation Session on Strategic Planning at Moldova Apa Canal Association (Russian)
3. Handouts for the Orientation Session on Strategic Planning at Moldova Apa Canal Association (Russian)
4. Local Government Reform in Moldova: a Comparative Assessment
5. Open Meeting Checklist and Sample Ordinance
6. Letter to Balti Authorities on 2 Alternatives for Change in the Preparatory Stage of the SP Process (Romanian)
7. Lists of Localities which a) conducted public hearings on the strategic Plan and b) conducted public hearings on budget
8. Agenda and invitation letters to LGRP mayors and their Peace Corps counterparts for the special training session on action planning
9. Video tape of the Moldova national TV program “Status Quo” (re Balti public budget hearing)
10. Training manual on action planning for LGRP mayors and their Peace Corps counterparts present at the special training session on action planning

IV. Problems or Delays Affecting Task Order Performance

None at this time

V. Work Planned for Next Reporting Period

Fiscal Decentralization:

- Continue the process of selection, procurement, adaptation, implementation and training and support of a comprehensive integrated municipal accounting software to be implemented at up to 5 selected local government partner communities
- Completion of the intensive phase of delivery of training and technical assistance to Round V partner communities
- Monitor the process of strategic plan implementation by partner communities
- Organize and help conduct training in microcomputers for up to 10 local governments selected together with the Association of Mayors and Local Communities from Moldova.
- Complete support for organizing and conducting a series of public hearings on municipal budgets.

Municipal Services:

- Continue distribution of the Municipal Services Source Book among LGRP local government partners and water utilities.
- Continue the rollout of Manual for Efficient Water Supply Operations training.
- Finalize the Heating Alternatives Manual.
- Design and conduct water leak detection and pipe location training for Moldovan water utilities.
- Initiate possible creation of water utility training center in Orhei by financing a feasibility analysis of creating a leak detection-testing polygon.
- Complete the Romanian and Russian version of the 2nd edition of the Manual for Efficient Water Supply Operations.
- Continue assisting water utilities develop their action plans and have them adopted by the local council.
- According to the water utility action plans priorities, initiate micro-action grant projects.
- Provide software and related training in the "1C" accounting package for the Phase I World Bank Water and Sanitation Project water utilities (all but one of whom are LGRP partner communities).
- Conduct a three-day Special Financial Management Training for five WB Moldovan water utilities.

Democracy and Governance:

- Monitor community strategic planning activities subcontracted to the AMLCM, manage successful closeout of sub-contract.
- Collect and assess work products/deliverables produced by the AMLC and assess their overall performance under this subcontract.

- Conduct Public Hearing training in the village of Rosietici, Floresti Raion. Support public hearings.
- Collect and evaluate best practices from local governments who participate in the LGRP "Best Practices Competition".
- Meet with the 8 mayors who will go on a study tour to the United States sponsored by the US Embassy in Moldova to discuss and plan the details of the visit.
- Provide strategic planning assistance to Moldova Apa Canal Association.
- Examine literature and practices regarding association building and perspectives of creating a strong municipal type non-partisan association in Moldova.
- Circulate model "sunshine policy" measures that enable freedom of information and/or open meetings
- Re-visit the question of the feasibility of launching the project "Municipal Rule of Law"

IV. Specific Action Requested

None at this time